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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

William Lee Kelly,  
Plaintiff,  
v.  
Financial Industry Regulatory Authority, Inc. (FINRA),  
Defendant.

Case No. 2:25-cv-01195-APG-DJA

**MOTION FOR PRELIMINARY INJUNCTION**

1. NOTICE IS HEREBY GIVEN that Plaintiff, William Lee Kelly, proceeding pro se, respectfully moves this Court pursuant to Federal Rule of Civil Procedure 65 for a Preliminary Injunction compelling Defendant Financial Industry Regulatory Authority, Inc. ("FINRA") to produce limited and targeted documents and data directly relevant to the constitutional and factual claims in this case.
2. This motion is necessary to prevent irreparable harm, preserve critical evidence, and ensure Plaintiff's ability to fully litigate his claim that FINRA violated his Fifth Amendment due process rights by arbitrarily and without notice implementing a U3 trading halt on MMTLP, thereby depriving Plaintiff of access to his lawfully held securities.
3. This case involves the exercise of government-delegated regulatory authority by a quasi-public entity. As such, transparency and accountability are not only appropriate but constitutionally required. The requested materials are essential to assessing the legitimacy, scope, and motivation behind FINRA's actions and whether those actions fell outside the bounds of its lawful authority.
4. The evidence requested in this motion is narrowly tailored and pertains to (1) the bluesheet trade data for the dates surrounding the halt; (2) communications between FINRA and Meta Materials Inc.; and (3) communications with DTCC and the SEC. These records are necessary to evaluate whether FINRA's conduct was procedurally proper or arbitrary and capricious, as alleged.
5. Plaintiff respectfully requests that the Court grant this motion and compel immediate disclosure and preservation of the specified records to avoid continued prejudice to Plaintiff's constitutional claims.

## MEMORANDUM OF POINTS AND AUTHORITIES

### I. INTRODUCTION

6. Plaintiff brings this action alleging that FINRA violated his Fifth Amendment due process rights by arbitrarily imposing an indefinite U3 trading halt on MMTLP on December 9, 2022. This halt was triggered by market confusion that FINRA created through the issuance of conflicting corporate action notices on December 6 and 8, 2022. As a result, Plaintiff was deprived of access to and the value of his 22,919 MMTLP shares—without notice, a hearing, or any form of remedy.
7. FINRA has claimed the halt was necessary to “protect the market” and address “settlement risks” (Exhibit I & D) denying the existence of excessive short interest, asserting an estimated 2.65 million short positions in the now-private Next Bridge Hydrocarbons as of December 12, 2022 (Exhibit L). However, evidence suggests abusive short selling and unilateral revisions to the corporate actions, as stated in declarations from former Meta Materials CEO George Palikaras (Exhibit AO) and Next Bridge Hydrocarbons CEO Greg McCabe (Exhibit AK & AJ).

### II. LEGAL STANDARD FOR PRELIMINARY INJUNCTION

8. A preliminary injunction is appropriate where the Plaintiff demonstrates: (1) likelihood of success on the merits; (2) irreparable harm absent relief; (3) that the balance of equities tips in the Plaintiffs favor; and (4) the injunction serves the public interest (*Winter v. Natural Resources Defense Council, Inc.*, 555 U.S. 7, 20 (2008)).
9. The Ninth Circuit also applies a “sliding scale” approach, under which a plaintiff may obtain injunctive relief by showing that serious questions going to the merits are raised and the balance of hardships tips sharply in the plaintiff’s favor, so long as irreparable harm is also shown. (*Alliance for the Wild Rockies v. Cottrell*, 632 F.3d 1127, 1131-35 (9th Cir. 2011)).
10. Courts have further recognized that preliminary injunctions may be granted to preserve evidence and prevent procedural prejudice, particularly in cases involving potential spoliation or where limited discovery is necessary to evaluate a constitutional claim (*De Beers Consol. Mines v. United States*, 325 U.S. 212 (1945); see also *D. Nev. Local Rule 65-1*).

### III. FACTUAL BACKGROUND

11. Plaintiff William Lee Kelly is a retail investor who lawfully owned 22,919 shares of MMTLP, a preferred security linked to Meta Materials Inc. (MMAT), which was scheduled to be canceled in connection with the spin-out of Next Bridge Hydrocarbons, a private company. This corporate action was meant to distribute private Next Bridge shares on a one-to-one basis to MMTLP shareholders, with trading expected to cease after the final record and settlement dates (Exhibit A).
12. In the days leading up to the corporate action's execution, FINRA published two conflicting corporate action notices—one on December 6, 2022, and a revised version on December 8, 2022 (Exhibits B & C). These discrepancies caused significant confusion among market participants regarding the final trading date, settlement deadlines, and distribution mechanics due to an inaccurate cancellation date of December 13, 2022.
13. On December 9, 2022, FINRA issued a U3 trading halt for MMTLP, halting all trading in the security without prior notice, explanation, or hearing (Exhibit E). Investors, including Plaintiff, were instantly locked out of their positions and have since been unable to trade, access, or recover the value of their holdings.
14. FINRA has claimed the U3 halt was implemented to address "settlement risks" and market confusion (Exhibit I), asserting that approximately 2.65 million short positions remained open as of December 12, 2022, despite the security no longer being publicly traded (Exhibit L). This left short sellers with no mechanism to close positions and long holders, like Plaintiff, with illiquid private shares in a company not listed on any public market.
15. Plaintiff contends that the confusion cited by FINRA was self-created, stemming from their conflicting and unclear corporate action notices, and that the U3 halt was imposed unilaterally and arbitrarily—without any procedural safeguards, without consulting the issuer, and without any mechanism for recourse. This is supported by public declarations from former Meta Materials CEO George Palikaras (Exhibit AO) and Next Bridge Hydrocarbons CEO Greg McCabe (Exhibit AK), who both stated that FINRA did not notify or include them in key decisions related to the Corporate Actions, and that FINRA may have acted outside the scope of its regulatory authority in breach of FINRA Rule 6490.
16. Plaintiff has exhausted all administrative channels for remedy, including contacting the SEC, the SEC Office of the Ombudsman, the Nevada Secretary of State, and members of Congress, to no avail (Exhibits O through W). No investigation results have been disclosed, no path to recovery has been offered, and the value of Plaintiff's MMTLP shares remains inaccessible.

17. Plaintiff brings this action under the Fifth Amendment to the U.S. Constitution, alleging that FINRA, acting under color of federal authority, deprived him of property without due process of law by halting trading in a manner that violated core constitutional protections.

#### IV. ARGUMENT

18. Plaintiff seeks a narrowly tailored preliminary injunction to compel the production of specific, time-sensitive records and communications directly related to the December 9, 2022 U3 trading halt on MMTLP. This relief is essential to prevent irreparable harm, ensure preservation of critical evidence, and support Plaintiff's ability to litigate his constitutional due process claims on a full and fair record.

##### A. Plaintiff Is Likely to Succeed on the Merits

19. Plaintiff alleges a clear Fifth Amendment violation. FINRA, while acting under color of federal authority, issued an indefinite trading halt on MMTLP without providing prior notice, a hearing, or any opportunity to challenge the decision. This halt prevented Plaintiff from disposing of or recovering value from 22,919 shares of MMTLP, effectively freezing his property without due process of law.

20. The requested materials—including blue sheet trading data and inter-agency communications—go to the heart of Plaintiff's constitutional claim. Evidence that FINRA acted arbitrarily, exceeded its regulatory authority, or imposed the halt based on flawed or manipulated information would directly support the allegation of ultra vires conduct and violations of core due process guarantees.

21. Plaintiff has raised serious questions concerning FINRA's violation of his Fifth Amendment due process rights through the unilateral U3 halt imposed on December 9, 2022. The halt was based on "settlement risk" that FINRA helped create via conflicting corporate action disclosures on December 6 and 8, 2022, directly implicating violations of FINRA Rule 6490, which requires accuracy and completeness in corporate action processing. Under *Mathews v. Eldridge*, 424 U.S. 319 (1976), due process mandates notice and an opportunity to be heard before property deprivation. Palikaras's declaration and FINRA's FAQs support that these actions were ultra vires, piercing immunity (*Sparta Surgical v. NASD*, 159 F.3d 1209 (9th Cir. 1998)).

22. Moreover, less harmful alternatives existed, such as Position Close Only (PCO) trading—a broker-level restriction allowing only the closing of existing positions (e.g., selling longs or covering shorts) to unwind settlement risks without prohibiting all activity. Brokers were already preparing for PCO-like measures; for example, Ameritrade's notice stated they would route new buy orders for cancellation after December 8, 2022 (Exhibit AG). FINRA's claimed justification "settlement risks from

trades not settling by December 12” (Exhibit I) could have been addressed through PCO advisories, as used previously in volatile or delisting scenarios, rather than the indefinite U3 halt that fully deprived investors of access to their funds. This overbroad response demonstrates arbitrariness, further supporting Plaintiff's claims.

23. In summary, the declarations from key figures—George Palikaras, former CEO of Meta Materials, and Greg McCabe, current CEO of Next Bridge Hydrocarbons—reveal FINRA’s actions as unilateral, non-transparent, and executed without issuer consultation. Coupled with FINRA’s conflicting corporate action filings and procedural lapses, these elements raise serious questions on the merits, plausibly demonstrating a due process violation and that FINRA acted outside its authorized scope, thereby piercing absolute immunity under *Sparta Surgical v. NASD*, 159 F.3d 1209 (9th Cir. 1998).

#### **B. Plaintiff Will Suffer Irreparable Harm Absent Injunctive Relief**

24. Without access to the requested trading data and communications, Plaintiff will be unable to fully establish the basis for his constitutional claims—particularly with respect to abusive short selling, FINRA’s motivations, and the scope of harm caused by the U3 halt—resulting in irreparable harm through the likely dismissal of the case on grounds of FINRA's regulatory immunity, as this would permanently deprive Plaintiff of judicial review and redress for the due process violations, without any adequate remedy at law.

25. While FINRA has provided justifications for the December 9 U3 halt in its FAQs, it has not disclosed the underlying sources, data, or internal communications revealing how and why it unilaterally revised the corporate action without company approval, failed to address the deficiencies that caused settlement issues, and then used those faulty revisions to justify the halt—actions that violated Rule 6490 and rendered the halt decision itself ultra vires. Without timely discovery, critical evidence may be lost or altered, as blue sheet data and inter-agency communications are routinely overwritten or purged over time, particularly if they fall outside ordinary retention protocols, exacerbating the irreparable harm by permanently foreclosing Plaintiff's ability to substantiate these ultra vires and due process claims before potential dismissal on immunity grounds.

26. Courts recognize that denial of access to relevant records—especially those held by the opposing party—can constitute irreparable harm where such denial prevents vindication of a constitutional right. See, e.g., *Alpine Securities Corp. v. FINRA*, 102 F.4th 55, 74 (D.C. Cir. 2024) (finding irreparable harm from subjection to FINRA's illegitimate proceedings without adequate review, as it causes "impossible to remedy" injury to due process rights). The requested injunction merely seeks to preserve and disclose evidence in FINRA’s exclusive possession.

**C. The Balance of Equities Favors Plaintiff**

27. The burden on FINRA to produce the requested data is minimal compared to the ongoing harm Plaintiff suffers, including the loss of access to tens of thousands of dollars in MMTLP shares due to the U3 halt's arbitrary imposition. *See, e.g., Alpine Securities Corp. v. FINRA*, 102 F.4th 55, 75 (D.C. Cir. 2024) (equities favored plaintiff where FINRA's regulatory interests were outweighed by the risk of permanent harm to the plaintiff's operations). This request does not seek broad discovery or invasive relief, but only materials tied directly to a discrete time frame (December 5–9, 2022) and a single, narrowly defined event—the MMTLP U3 halt— materials such as blue sheet data, internal communications, and records related to the unilateral corporate action revisions.

28. The equities weigh heavily in Plaintiff's favor, as he has endured substantial financial losses—not only from the 70% price drop on December 7–8, 2022 (Exhibit AA), but also from the freezing of all his funds during the halt. Plaintiff has received no procedural protections against FINRA's alleged ultra vires actions under Rule 6490, and has been unable to obtain documentation explaining the unilateral revisions to the corporate actions, the failure to address fraud (as indicated in Sam Draddy's email acknowledging the issue on the fraud team's radar (Exhibit AD)), or the due process violations inherent in the halt when PCO trading could have easily eliminated settlement risks, without causing such constitutional harm. In contrast, FINRA faces only the routine obligation to disclose documents relevant to its own actions, with no disruption to its regulatory functions or broader market operations.

**D. The Injunction Serves the Public Interest**

29. The public has a compelling interest in transparency, especially when constitutional rights are potentially violated by entities exercising federal authority. Ensuring accountability for market regulators like FINRA not only supports investor confidence but upholds the rule of law in financial markets.

30. Additionally, there is growing public and congressional concern regarding FINRA's actions in this matter (Exhibit F & AE). FINRA's handling of the MMTLP U3 halt affected approximately 65,000 shareholders who suffered substantial financial losses through the freezing of funds. Compelling limited disclosure of facts surrounding the halt will contribute to informed public discourse, responsible oversight, and broader market fairness, aligning with congressional inquiries into these events.



## V. REQUESTED RELIEF

31. Plaintiff seeks a preliminary injunction for limited, expedited discovery to obtain the following narrowly tailored materials, all focused on the discrete time frame of December 5–9, 2022, and the MMTLP U3 halt:

- Bluesheet data for MMTLP trades on December 6–9, 2022, to verify FINRA's short interest claims, assess abusive short selling or naked shorts, and evaluate the general market response to FINRA's revised corporate action prior to the U3 halt.
- Communications between FINRA and Meta Materials (or its representatives) from December 5–9, 2022, to determine if revisions to the corporate action were unilateral and arbitrary, in violation of Rule 6490.
- Internal FINRA decision documents, emails, or memos related to the MMTLP U3 halt and the December 6, 2022 & the December 8, 2022 revised corporate actions, including any assessments of settlement risks and alternatives like PCO trading, to evaluate the arbitrariness of the halt decision.
- Communications with the SEC referencing the Sam Draddy FOIA "Fraud Radar" email (dated December 5, 2022) and/or communications in relation to the MMTLP Corporate Actions or the MMTLP U3 Trading Halt.
- Communications between FINRA and DTCC regarding MMTLP, including any minutes of meetings that excluded Meta Materials or Next Bridge Hydrocarbons.
- Records of short positions or fails-to-deliver (FTDs) for MMTLP on December 6–9, 2022, beyond bluesheet data, to further investigate discrepancies and abusive practices, as well as determine how FINRA verified 2.6 million short shares outstanding in Next Bridge Hydrocarbons.

32. This relief is narrowly tailored to preserve critical evidence, prevent irreparable harm from delayed disclosure, and enable Plaintiff to substantiate his ultra vires and due process claims, while imposing minimal burden on FINRA, as the materials are in its exclusive possession and directly relevant to its own actions.

## VI. CONCLUSION

33. For the foregoing reasons, Plaintiff respectfully requests that this Court grant the motion for preliminary injunction and order Defendant FINRA to produce the requested materials within fourteen (14) days. Prompt disclosure is necessary to preserve Plaintiff's ability to pursue his claims, avoid further prejudice, and ensure that material evidence is not lost or withheld in violation of due process. A Proposed Order is attached hereto.

**CERTIFICATE OF SERVICE**

34. I, William Lee Kelly, certify that on July 18, 2025, I served a true and correct copy of the foregoing Motion for Preliminary Injunction, including all attachments, exhibits, my Personal Declaration, and the Proposed Order, to Defendant FINRA's registered agent via Process Server, pursuant to FRCP 5(b)(2)(B).

Dated: July 18, 2025

*/s/ William Lee Kelly*

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277 **EXHIBIT INDEX**

278	<b>Exhibit</b>	<b>Description</b>
279	A	Meta Materials Inc. Press Release – November 23, 2022
280	B	FINRA Corporate Action Notice – December 6, 2022
281	C	FINRA Corporate Action Notice – December 8, 2022
282	D	FINRA MMTLP Trading Halt FAQ – Released March 16, 2023
283	E	FINRA Uniform Practice Advisory #35-22 – December 9, 2022 (U3 Halt)
284	F	74 Member Congressional Letter to the SEC & FINRA – Dec. 22, 2023
285	I	Response from FINRA CEO to Congressional Letter – Jan. 31, 2024
286	L	FINRA FAQ - Short Positions In a Private Company – Nov. 6, 2023
287	N	Charles Schwab Personal Account Statement - Dec. 31, 2022
288	O	Copy of Complaint submitted to the SEC – Dec. 12, 2022
289	P	Copy of Complaint submitted to SEC OIG – May 6, 2025
290	Q	Copy of Complaint submitted to SEC OMBUD – Feb. 18, 2025
291	R	Copy of Complaint to FBI IC3 – Feb. 14, 2025
292	S	Copy of Complaint to Nevada Secretary of State – Jan. 28, 2025
293	T	Copy of Complaint to Nevada Attorney General – June 14, 2024
294	U	Initial Response letter from Congressman Horsford – June 6, 2024
295	V	Second Response letter from Congressman Horsford – June 12, 2024
296	W	Response letter from the office of Senator Cortez-Masto – May 15, 2025
297	AA	Trading Data for MMTLP from Nov 21, 2022 to the U3 Halt
298	AD	FOIA Request Showing Sam Draddy’s Correspondence With the SEC
299	AE	Letter From Congresswoman Barbara Lee – Dec. 4, 2023
300	AG	Ameritrade Correspondence to MMTLP Holders Pre-Halt
301	AJ	NBH Disputes 2.65m Short Estimated Provided by FINRA in FAQ
302	AK	NBH Disputes FINRA’s Role in the Corporate Actions
303	AO	Legal Declaration by George Palikaras regarding FINRA’s Corp. Action
304	BA	Complete MMTLP Transaction History

**EXHIBIT A****Meta Material Inc. Press Release – November 23, 2022**

**Subject:** Announcement of Distribution of Next Bridge Hydrocarbons, Inc. Shares and Series A Preferred Stock Cancellation

**Source:** [https://metamaterial.com/meta-materials-inc-board-of-directors-approves-planned-completion-of-the-spin-off-of-next-bridge-hydrocarbons-inc/?utm\\_source=chatgpt.com](https://metamaterial.com/meta-materials-inc-board-of-directors-approves-planned-completion-of-the-spin-off-of-next-bridge-hydrocarbons-inc/?utm_source=chatgpt.com)

# META MATERIALS INC. BOARD OF DIRECTORS APPROVES PLANNED COMPLETION OF THE SPIN-OFF OF NEXT BRIDGE HYDROCARBONS INC.

**HALIFAX, NS / ACCESSWIRE / November 23, 2022 /** Meta Materials Inc. (the “Company” or “META®”) (NASDAQ:MMAT, FSE:MMAT), a developer of high-performance functional materials and nanocomposites, today announced that its board of directors has approved the distribution to the holders of META’s Series A Non-Voting Preferred Stock (“Series A Preferred Stock” which is currently traded over-the-counter, or OTC, under the symbol MMTLP) of 100% of the common stock of META’s wholly owned subsidiary, Next Bridge Hydrocarbons, Inc. (“Next Bridge”) in accordance with the Distribution Agreement between META and Next Bridge. Upon completion of the distribution, Next Bridge will be an independent public reporting company, but the Next Bridge common stock is not and will not be publicly traded and will not be eligible for electronic transfer through the Depository Trust Company book-entry system or any other established clearing corporation.

Subject to certain conditions, including, among others, completion of all necessary actions and filings with regard to applicable state securities or “blue sky” laws and final FINRA approval, for which there can be no assurances that such approval will be given, each holder of Series A Preferred Stock as of 4 p.m. ET on December 12, 2022, (the record date for the distribution), will be entitled to receive one share of Next Bridge common stock for every one share of Series A Preferred Stock held as of the record date. The shares of Next Bridge common stock will be distributed on December 14, 2022 after the close of the trading markets, at which time (i) all of the shares of Series A Preferred Stock will be automatically cancelled, (ii) the holders of such Series A Preferred Stock will cease to have any rights with respect to such shares and (iii) the shares of Series A Preferred Stock, MMTLP, will no longer be tradable on the OTC market.

**Archives**[2024](#)[2023](#)[2022](#)[2021](#)[2020](#)[2019](#)[2018](#)[2017](#)[2016](#)[2014](#)

**EXHIBIT B****FINRA Corporate Action Notice – December 6, 2022****Subject:** Initial Corporate Action for MMTLP – Cancellation Date and Distribution Terms**Source:** <https://otce.finra.org/otce/dailyList>

Daily List Events

X

Summary

Date/Time	Event Type	Eff/Ex Date/Time	Symbol	Issue Name	Market
12/06/2022 14:53:29	Exchanged	12/13/2022 00:00:00	MMTLP	META MATLS INC PFD SER A	OTC Equity

Comments

MMTLP shareholders with settled positions as of 12/12/22 Record Date will receive one (1) share of Next Bridge Hydrocarbons, Inc. for every one (1) share of MMTLP held on Pay Date of 12/14/22. Purchases of MMTLP executed after 12/8/22 will not receive the distribution. Will not be quoted Ex. MMTLP shares will be canceled effective 12/13/22.

Details

	Current Value
Daily List Date/Time	12/06/2022 14:53:29
Event Type	Exchanged
Effective/Ex Date/Time	12/13/2022 00:00:00
Symbol	MMTLP
Issue Name	META MATLS INC PFD SER A
Class	
Market Category	OTC Equity
Offering Type	No Restrictions
Daily List Comment	MMTLP shareholders with settled positions as of 12/12/22 Record Date will receive one (1) share of Next Bridge Hydrocarbons, Inc. for every one (1) share of MMTLP held on Pay Date of 12/14/22. Purchases of MMTLP executed after 12/8/22 will not receive the distribution. Will not be quoted Ex. MMTLP shares will be canceled effective 12/13/22.

**EXHIBIT C****FINRA Corporate Action Notice – December 8, 2022****Subject:** Revised Corporate Action for MMTLP – Symbol Deletion Effective 12/13/2022**Source:** <https://otce.finra.org/otce/dailyList>

Daily List Events					
Date/Time	Event Type	Eff/Ex Date/Time	Symbol	Issue Name	Market
12/08/2022 13:11:45	Exchanged	12/13/2022 00:00:00	MMTLP	META MATLS INC PFD SER A	OTC Equity
Comments					
See Daily List of 12/6/2022. Announcement Revised: MMTLP shareholders with settled positions as of 12/12/22 will receive one (1) share of Next Bridge Hydrocarbons, Inc. for every one (1) share of MMTLP held. Purchases of MMTLP executed after 12/8/22 will not receive the distribution. Will not be quoted Ex. Symbol: MMTLP will be deleted effective 12/13/22.					
Details					
Current Value					
Daily List Date/Time	12/08/2022 13:11:45				
Event Type	Exchanged				
Effective/Ex Date/Time	12/13/2022 00:00:00				
Symbol	MMTLP				
Issue Name	META MATLS INC PFD SER A				
Class					
Market Category	OTC Equity				
Offering Type	No Restrictions				
Daily List Comment	See Daily List of 12/6/2022. Announcement Revised: MMTLP shareholders with settled positions as of 12/12/22 will receive one (1) share of Next Bridge Hydrocarbons, Inc. for every one (1) share of MMTLP held. Purchases of MMTLP executed after 12/8/22 will not receive the distribution. Will not be quoted Ex. Symbol: MMTLP will be deleted effective 12/13/22.				

## EXHIBIT D

### FINRA Frequently Asked Questions (FAQ) Regarding the MMTLP Trading Halt – March 16, 2023

**Subject:** FINRA's Public Explanation for the U3 Trading Halt and Related Market Disruption

**Source:** [https://www.finra.org/investors/insights/FAQ-MMTLP-corporate-action-and-trading-halt?utm\\_source=chatgpt.com](https://www.finra.org/investors/insights/FAQ-MMTLP-corporate-action-and-trading-halt?utm_source=chatgpt.com)

#### 1. Why did FINRA halt trading in MMTLP?

FINRA is permitted under its rules to impose a quoting and trading halt in an OTC equity security where FINRA determines that an extraordinary event has occurred or is ongoing that has had a material effect on the market for the security or has caused or has the potential to cause major disruption to the marketplace or significant uncertainty in the settlement and clearance process. FINRA made such a determination for MMTLP and halted trading on December 9.

Among FINRA's concerns were the facts that, after December 12, the MMTLP shares would cease to be DTC-eligible; MMTLP shares would be cancelled at the time of the distribution (*i.e.*, December 14); and Next Bridge common stock was not expected to be DTC-eligible—raising uncertainty regarding how transactions executed after December 8 would settle in an orderly manner in relation to these dates. Had MMTLP continued trading after December 8, there was the possibility that investors buying MMTLP during that time period may not have realized that those shares were about to be cancelled by Meta Materials, that they may not receive MMTLP shares before they were cancelled, and that they would not be recorded on December 12 as MMTLP holders eligible to receive Next Bridge common stock in the distribution.

#### 2. Why did FINRA halt trading on December 9 if shareholders as of December 12 were entitled to receive the Next Bridge distribution?

FINRA halted trading in MMTLP on Friday, December 9, because securities transactions typically must settle within **two business days** in accordance with SEC rules. This means that trades in MMTLP executed on December 8 typically would settle on December 12, while trades executed on December 9 or December 12 typically would not settle until after December 12. This is important because a seller ceases to be a holder of shares and a purchaser becomes a holder of shares only after a transaction settles. Therefore, for purposes of the Next Bridge / MMTLP corporate action, only those trades in MMTLP that were executed on or before December 8 typically would have settled in time to establish the purchaser as a new holder of the shares as of December 12.

In addition, after December 12, the MMTLP shares would no longer be DTC-eligible (and the **Next Bridge shares** were not expected to be DTC-eligible). This means that, after December 12, any unsettled trades in MMTLP would have needed to be handled through broker-to-broker processes outside of DTC. Thus, there was uncertainty about whether trades executed *after* December 8 would settle in an orderly manner, including whether they would settle before the MMTLP shares were cancelled on December 14.

In other words, for trades in MMTLP executed after December 8, the seller of MMTLP shares would still have been recorded as the holder eligible to receive Next Bridge shares as part of the corporate action distribution, and the buyer would not be recorded as eligible to receive Next Bridge shares in the distribution. Moreover, the buyer would have purchased shares that would be cancelled on December 14, and there was uncertainty as to whether these trades would be settled in an orderly manner before the cancellation date. *See also* Question # 7 below.



**EXHIBIT E**

**Subject:** FINRA Trading Halt Advisory – U3 Halt and Symbol Deletion of MMTLP - December 9, 2022 (Support for Violating FINRA Rule 6440)

**Source:** [https://www.finra.org/sites/default/files/2022-12/UPC-35-2022-MMTLP%28Halt%29\\_2.pdf?utm\\_source=chatgpt.com](https://www.finra.org/sites/default/files/2022-12/UPC-35-2022-MMTLP%28Halt%29_2.pdf?utm_source=chatgpt.com)



**Attn: Trading and Market Making/Legal and Compliance/Operations/Systems**  
**UNIFORM PRACTICE ADVISORY (UPC # 35-22) 12/09/2022**

**Trading and Quotation Halt for META MATERIALS PFD SER A (MMTLP)**

Effective Friday, December 09, 2022, the Financial Industry Regulatory Authority, Inc. ("FINRA") halted trading and quoting in the Series A preferred shares of Meta Materials Inc. (OTC Symbol: MMTLP). Pursuant to Rule 6440(a)(3), FINRA has determined that an extraordinary event has occurred or is ongoing that has caused or has the potential to cause significant uncertainty in the settlement and clearance process for shares in MMTLP and that, therefore, halting trading and quoting in MMTLP is necessary to protect investors and the public interest.

The trading and quoting halt will end concurrent with the deletion of the symbol effective Tuesday, December 13, 2022. See updated FINRA Daily List announcement of December 8, 2022, regarding MMTLP; available here: <https://otce.finra.org/otce/dailyList>.

See also Form S1 Registration Statement for Next Bridge Hydrocarbons, Inc. stating that **"...immediately after the Spin-Off, all shares of Series A Non-Voting Preferred Stock of Meta shall be cancelled."** Available here: <https://www.sec.gov/Archives/edgar/data/1936756/000119312522281275/d302576ds1a.htm>.

Questions regarding this notice can be directed to: FINRA Market Operations at (866) 776-0800, Option 2.

**EXHIBIT F**

**Subject:** Letter from Congressman Ralph Norman to FINRA CEO Robert Cook and SEC Chair Gary Gensler - December 22, 2023 (Support for Violating FINRA Rule 8210)

**Source:** [https://norman.house.gov/uploadedfiles/rep-norman-mmtlp-letter-2023-12-22-final.pdf?utm\\_source=chatgpt.com](https://norman.house.gov/uploadedfiles/rep-norman-mmtlp-letter-2023-12-22-final.pdf?utm_source=chatgpt.com)

Please provide a response to the following questions and requests no later than January 31, 2024:

1. Provide a timeline of trading of MMTLP on the OTC markets; the actions taken by the SEC, self-regulatory organizations, the issuers, the transfer agent, and any other relevant parties during the time MMTLP was traded; and the transaction that produced Next Bridge Hydrocarbon shares.
2. The Former CEO of Torchlight Energy Resources stated that “MMTLP was never designed to trade.”<sup>5</sup> Please provide a detailed explanation, including the relevant statutory authority and procedures, that allowed for MMTLP shares to trade on the OTC market.
3. Provide the relevant statutory authority, jurisdiction, and adherence to established industry standards regarding the U3 trading halt of MMTLP issued on December 9, 2022.
4. Provide the exact date and circumstances surrounding FINRA’s determination to implement the U3 halt, including all unredacted communications between FINRA, SEC, governmental agencies, any outside organizations, FINRA members and non-FINRA members, and any other individuals. Also include all information surrounding the SEC or FINRA’s knowledge of the share price in any public or non-public exchange before issuance of the U3 halt.
5. Provide the first date and time that FINRA or its agents advised any market participant in any manner that MMTLP would no longer trade on December 9, 2022. Include any relevant documents or communication.
6. Did FINRA issue a Blue Sheet request for MMTLP during the period of October 2021 through December 2022? Why or why not?
7. How many questions, complaints, and/or inquiries have you received regarding MMTLP?
8. Provide the statutory or legal justification used by the SEC and FINRA to ignore public requests and congressional inquiries regarding MMTLP.
9. Provide the delivery of a certified audited and consolidated count of shares that were held by all U.S. and foreign financial institutions, together with their clearing firm counter-brokers including trades not reported in the consolidated audit trail (CAT), related to MMTLP on the date of December 12, 2022. Please include all shares/holdings of long and short positions, as well as IOUs held by each participating broker and market participant as record owner, beneficial owner, or in any other capacity (each reported separately) including but not limited to: all shares registered at AST, all shares held in



**EXHIBIT I**

**Subject:** Letter from FINRA CEO Robert Cook to Congressman Ralph Norman - Jan. 31, 2024 (support for violating FINRA Rule 6440)

**Source:** [https://norman.house.gov/uploadedfiles/2024-01-31-finra-response-to-rep-norman-regarding-mmtlp.pdf?utm\\_source=chatgpt.com](https://norman.house.gov/uploadedfiles/2024-01-31-finra-response-to-rep-norman-regarding-mmtlp.pdf?utm_source=chatgpt.com)

Some investors continue to question FINRA’s reasons for imposing the halt, and we continue to observe inaccurate information circulating on some social media about trading in MMTLP and the trading halt. While we discuss these questions in greater detail below and in our FAQs, it is helpful to first highlight several key facts about trading in MMTLP and FINRA’s role:

- FINRA’s decision to halt trading was due to clearance and settlement concerns in light of the structure and timing of the corporate action. As a result, ongoing trades after December 8, 2022 would not be settled by December 12, 2022, or predictably thereafter, risking significant investor confusion and harm. Contrary to some theories circulated on social media, FINRA did not initiate the halt because there were problems with a “share imbalance” and “counterfeit shares,” or because of short positions held by hedge funds. FINRA also did not provide advance notice of the trading halt to broker-dealers, hedge funds, or any other market participant.
- Investors have expressed confusion regarding whether Meta Materials needed to approve the commencement of trading in MMTLP. Generally, an issuer’s approval is not needed for a security to trade outside of a securities exchange, *i.e.*, “over the counter” (OTC), although an issuer may take steps to limit such trading. The issue of whether a security can be publicly traded is governed by the Securities Act and SEC rules; for purposes of these provisions, it does not appear that Meta Materials took effective steps to restrict public trading in MMTLP.

**EXHIBIT L****Subject:** FINRA FAQ - Short Positions In a Private Company – Nov. 6, 2023**Source:** <https://www.finra.org/investors/insights/supplemental-faq-mmtlp-corporate-action-and-trading-halt>**14. How much short selling was there in MMTLP around the time of the Next Bridge / MMTLP corporate action? Was there a large short position in MMTLP shares?**

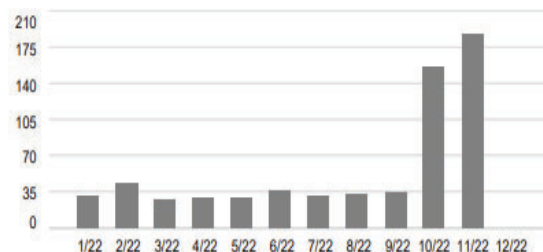
FINRA periodically collects short interest information from broker-dealers and publishes short interest reports twice each month based on that information. As explained in the March 16, 2023, MMTLP FAQs, Question No. 8, these reports reflect a snapshot of the total open short positions existing in a security on the books and records of broker-dealers on a given reporting settlement date. The last short interest reporting settlement date available for MMTLP was November 30, 2022, because the issuer cancelled the MMTLP shares and the symbol was deleted prior to the next short interest reporting settlement date. Thus, short interest data for MMTLP around the time of the corporate action was not made publicly available.<sup>11</sup>

Based on FINRA's subsequent regulatory efforts, FINRA estimates that there was an aggregate short interest position in MMTLP in accounts held at broker-dealers as of December 12<sup>12</sup> of approximately 2.65 million shares out of 165.47 million total shares outstanding, which is not a significant percentage—only 1.6%—of the total shares outstanding.<sup>13</sup> The short interest position in MMTLP had therefore decreased substantially—by nearly 60%—between November 15 and December 12. Specifically, short interest in MMTLP as of November 15, 2022, (approximately 6.4 million shares) declined around 27% to approximately 4.7 million shares as of November 30, 2022, and declined about a further 32% to approximately 2.65 million shares as of December 12.

**EXHIBIT N****Subject:** Charles Schwab Personal Account Statement - Dec. 31, 2022**Source:** <https://client.schwab.com/app/accounts/statements/#/>Schwab One® Account of  
**WILLIAM LEE KELLY**Account Number  
**1712-6093**Statement Period  
**December 1-31, 2022****Account Value as of 12/31/2022: \$ 174.19<sup>Δ</sup>**

<b>Change in Account Value</b>	<b>This Period</b>	<b>Year to Date</b>
<b>Starting Value</b>	<b>\$ 187,445.87</b>	<b>\$ 36,815.47</b>
Credits	0.02	0.07
Debits	0.00	(0.02)
Transfer of Securities (In/Out)	0.00	0.00
Income Reinvested	0.00	0.00
Change in Value of Investments	(187,271.70)	(36,641.33)
<b>Ending Value on 12/31/2022<sup>Δ</sup></b>	<b>\$ 174.19</b>	<b>\$ 174.19</b>
<b>Total Change in Account Value</b>	<b>\$ (187,271.68)</b>	<b>\$ (36,641.28)</b>
	<b>(99.91)%</b>	<b>(99.53)%</b>

Account Value [in Thousands]



<b>Asset Composition</b>	<b>Market Value</b>	<b>% of Account Assets</b>
Bank Sweep <sup>X,Z</sup>	\$ 58.65	34%
Equities	103.15	59%
Exchange Traded Funds	12.39	7%
<b>Total Assets Long<sup>Δ</sup></b>	<b>\$ 174.19</b>	
Net Loan Balance	0.00	
<b>Total Account Value<sup>Δ</sup></b>	<b>\$ 174.19</b>	<b>100%</b>



■ 34% Bank Sweep [X,Z]  
 ■ 59% Equities  
 □ 7% Exchange Traded Funds

**EXHIBIT O****Subject:** Initial Complaint Filed with the U.S. Securities and Exchange Commission (SEC)**Source:** Personal Email Account**SEC Response HO::~~01271164~::HO**

Inbox x

MMTLP Lawsuit x

**"Help"** <help@sec.gov> <help@sec.gov>  
to me ▾

Mon, Dec 12, 2022, 10:18 AM



Dear William Kelly:

Thank you for contacting the U.S. Securities and Exchange Commission (SEC).

The SEC's Office of Investor Education and Advocacy processes many comments from individual investors and others. We keep records of the correspondence we receive in a searchable database that SEC staff may make use of in inspections, examinations, and investigations. In addition, some of the correspondence we receive is referred to other SEC offices and divisions for their review. If they have any questions or wish to respond directly to your comments, they will contact you.

Please note that securities exchanges and self-regulatory organizations (SROs), not the SEC, determine whether to impose a trading halt in a stock. Please see <https://www.finra.org/investors/investing/investment-products/stocks/trading-halts-delays-suspensions> for more information.

Information regarding the trading halt of Meta Materials (MMTLP) is available at [https://www.finra.org/sites/default/files/2022-12/UPC-35-2022-MMTLP%28Halt%29\\_2.pdf](https://www.finra.org/sites/default/files/2022-12/UPC-35-2022-MMTLP%28Halt%29_2.pdf)

Sincerely,

Office of Investor Education and Advocacy  
U.S. Securities and Exchange Commission  
(800) 732-0330  
[www.sec.gov](http://www.sec.gov)  
[www.investor.gov](http://www.investor.gov)  
[www.twitter.com/SEC\\_Investor\\_Ed](https://www.twitter.com/SEC_Investor_Ed)



414 **EXHIBIT P**415 **Subject:** Complaint Filed with the SEC Office of Inspector General (OIG)416 **Source:** Personal Email Account

Complaint received by the SEC OIG; Hotline Report No. 2025066507 MMTLP Lawsuit x



OIG

to me ▾

Wed, Jun 11, 10:54 AM (6 days ago)



Thank you for contacting the U.S. Securities and Exchange Commission (SEC) Office of Inspector General (OIG). We received the report of your complaint.

We will evaluate the information provided and determine an appropriate action. Options include opening an OIG review; referring the matter to a SEC Division or Office for review, if warranted; and taking no further action. In this regard, please note the following:

- The SEC OIG is an independent office within the SEC that conducts audits and evaluations of SEC programs and operations and investigates allegations of fraud, waste, or abuse at or against the SEC.
- The OIG derives its authority from the Inspector General Act of 1978, as amended. In accordance with that statute, we cannot perform SEC operating responsibilities, such as investigation of alleged securities law violations.
- Our authority is limited to issues that relate to SEC programs, operations, and personnel.
- We have no authority to direct SEC action with regard to SEC operations, such as (1) change its policies, (2) commence or conclude any particular investigation, (3) implement new securities rules for market participants, or (4) initiate administrative disciplinary action.
- Due to privacy interests, we do not provide complainants with updates on, or the results of, a complaint or investigative matter. However, our audit reports are published on [www.sec.gov/office-inspector-general](http://www.sec.gov/office-inspector-general).
- General questions about the Federal securities laws and complaints about financial investment professionals can be directed to the SEC's Office of Investor Education and Advocacy at [www.sec.gov/oiea/QuestionsAndComments.html](http://www.sec.gov/oiea/QuestionsAndComments.html), [www.sec.gov/oiea/Complaint.html](http://www.sec.gov/oiea/Complaint.html), [help@sec.gov](mailto:help@sec.gov), 202-551-6500 or 1-800-732-0330. [Note: The SEC staff cannot act as a personal representative or attorney. Thus, they cannot represent investors and may be unable to assist you in private disputes with other parties.]
- Allegations of Federal securities law violations should be reported using the online Web form located at [www.sec.gov/tcr](http://www.sec.gov/tcr). You should detail how the individual(s) violated [U.S. Federal securities laws](#). Tips, Complaints, and Referral Filing Guidance is available at [www.sec.gov/complaint/info](http://www.sec.gov/complaint/info). [Note: SEC investigations are conducted confidentially. As a result, the SEC generally will not confirm or deny the existence of an investigation unless and until it becomes a matter of public record. [www.sec.gov/answers/investg.htm](http://www.sec.gov/answers/investg.htm).]

Respectfully,

The Office of Inspector General  
U.S. Securities and Exchange Commission  
100 F Street, NE, Washington, DC 20549-2977  
[oig@sec.gov](mailto:oig@sec.gov)

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**EXHIBIT Q****Subject:** Submission to the SEC Office of the Ombudsman**Source:** Personal Email AccountSEC Ombuds Matter Management System (OMMS) Submission - Matter ID Number 20250214-00015901 [MMTLP Lawsuit x](#)Ombuds OMMS <ombudsmanomms@sec.gov>  
to me ▾

Tue, Feb 18, 9:22 AM ★ 😊 ↩ ⋮

U.S. SECURITIES AND  
EXCHANGE COMMISSION

Dear William Kelly:

Thank you for contacting the Ombuds of the U.S. Securities and Exchange Commission (SEC) regarding your concerns about preferred shares issued by Meta Materials Inc. (Meta Materials) previously trading over-the-counter as MMTLP. The Office of the Ombuds handles retail investor recommendations, questions and complaints about the SEC and the self-regulatory organizations (SROs) that it oversees.

The Ombuds generally treats matters as confidential and takes reasonable steps to maintain the confidentiality of communications. However, our Office may need to contact other SEC divisions or offices, SROs, entities, and/or individuals to disclose information without permission under certain circumstances including, but not limited to: a threat of imminent risk or serious harm; assertions, complaints, or information relating to violations of the securities laws; allegations of government fraud, waste, or abuse; or if otherwise required by law. Information received by the Ombuds may also be used in future recommendations to the SEC.

With regard to your specific requests, seeking: (1) "a complete independently audited share count of the TOTAL outstanding shares of MMTLP and the 2 days of trading that investors should have had, so all outstanding positions can be closed and settled"; and (2) "answers from the SEC regarding their oversight of FINRA for breaking rule 6490, FINRA Rule 6432, SEC Rule 15c2-11, FINRA Rule 2010, and FINRA Rule 6440 which they used to issue the U3 Halt," please be advised that our Office has been, and continues to be, in communication with certain individuals, Offices, and Divisions here at the SEC regarding these and similar investor concerns.

Thank you again for contacting the SEC Ombuds. We appreciate your views.

437 **EXHIBIT R**

438 **Subject:** FBI IC3 Complaint Submission

439 **Source:** Personal Email Account

**IC3 Complaint** MMTLP Lawsuit x

**William Kelly** <william.lee.kelly@gmail.com>  
to me ▼

Fri, Feb 14, 4:22 PM

**Submission ID:**

02eda4cc184849d5b5ee772771514181

**Date Filed:**

2/14/2025 7:20:36 PM EST

**Were you the one affected in this incident?**

Yes

↩ Reply

➡ Forward



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**EXHIBIT S**

**Subject:** Complaint Filed with Nevada Secretary of State

**Source:** Personal Email Account

**Nevada Secretary of State: Online Securities Complaint Submission**



Inbox x MMTLP Lawsuit x

**nvsec@sos.nv.gov**

Tue, Jan 28, 11:34 AM





to me ▾

A new entry to a form/survey has been submitted.

**Form Name:** Securities Complaint  
**Date & Time:** 01/28/2025 11:34 AM  
**Response #:** 311  
**Submitter ID:** 9678  
**IP address:** 167.154.231.5, 198.143.33.41  
**Time to complete:** 40 min. , 40 sec.

**EXHIBIT T****Subject:** Complaint Filed with the Nevada Attorney General**Source:** Personal Email Account

[agdb.ag.state.nv.us #63955] AutoReply: Complaint :Kelly ,William |Agency - FINRA Inbox x MMTLP Lawsuit x 

**AG Intake Investigations Department via RT** <agrequest... Fri, Jun 14, 2024, 4:00 PM      
to me ▾

Greetings,

The Office of the Nevada Attorney General, Constituent Services Unit acknowledges receipt of your complaint. You will be notified upon completion of the review process between 14 to 45 business days. We do not provide emergency services. If additional information is required, you will be contacted by a member of our staff. Please note that pursuant to NRS 241.039(7), Open Meeting Law complaints are public records.

-----  
This message has been automatically generated in response to the creation of a trouble ticket regarding **Complaint :Kelly ,William |Agency - FINRA**, a summary of which appears below.

There is no need to reply to this message right now. Your ticket has been assigned an ID of [agdb.ag.state.nv.us #63955].

Please include the string [agdb.ag.state.nv.us #63955] in the subject line including the brackets of all future correspondence about this issue. To do so, you may reply to this message. Ex: [agdb.ag.state.nv.us #42]

Thank you,

-----Section 1 Requestor Information-----

1.Please Enter Your Email Address

[william.lee.kelly@gmail.com](mailto:william.lee.kelly@gmail.com)

**EXHIBIT U**

**Subject:** Response Letter from the Office of Congressman Steven Horsford

**Source:** Personal Email Account

**RE: Your SEC Issue** MMTLP Lawsuit x



**Office of Congressman Steven Horsford** <NV04SH.DistrictServices... Thu, Jun 6, 2024, 12:38 PM  
to me ▾



**STEVEN A. HORSFORD**  
4TH DISTRICT, NEVADA

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON SOCIAL  
SECURITY

SUBCOMMITTEE ON HEALTH



**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

WASHINGTON, D.C. OFFICE  
406 CANNON HOB  
WASHINGTON, D.C. 20515  
PHONE: (202) 225-9894

NORTH LAS VEGAS  
DISTRICT OFFICE  
2250 N LAS VEGAS BLVD,  
SUITE 500  
NORTH LAS VEGAS, NV  
89030  
PHONE: (702) 963-9360

June 6, 2024

Dear Mr. Kelly,

Our office has received your request for assistance with your SEC issue, and I have submitted an inquiry on your behalf to the SEC.

Please be aware that, even with Congressional inquiries, it may take some time for the agency to respond, so I cannot give you a time frame. Rest assured, however, that I will contact you as soon as I receive a response.

Sincerely,

*Ruby Scott*

District Representative

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**EXHIBIT V**

**Subject:** Second Response Letter from the Office of Congressman Steven Horsford

**Source:** Personal Email Account

June 12, 2024

Dear Mr. Kelly,

Here is the response I received from the SEC:

*June 12, 2024*

*The Honorable Steven Horsford  
U.S. House of Representatives  
2250 Las Vegas Blvd. North, Ste. 500  
North Las Vegas, NV 89030  
Attention: Ruby Scott (via email)  
Re: Mr. William Kelly ES#162455/HO::~~01395772~::HO*

*Dear Representative Horsford:*

*Thank you for your June 6, 2024 letter to the U.S. Securities and Exchange Commission (SEC) on behalf of the above-referenced constituent. Your correspondence was forwarded to the SEC's Office of Investor Education and Advocacy.*

*Mr. Kelly seeks assistance with the Financial Industry Regulatory Authority's (FINRA) trading halt of Meta Materials Inc. (MMTLP). FINRA, which imposed the halt, has posted information regarding the MMTLP trading halt on its website. Please see [FAQ: MMTLP Corporate Action and Trading Halt](#) | [FINRA.org](#). Securities exchanges and self-regulatory organizations, rather than the SEC, determine whether to impose a trading halt in a stock. For more information about trading halts generally, please see "Trading Halts and Delays" in the SEC's [Investor.gov](#) glossary.*

*The SEC's Office of Investor Education and Advocacy processes many comments and complaints from individual investors and others. We keep records of the correspondence we receive in a searchable database that SEC staff may make use of in inspections, examinations, and investigations. In addition, some of the correspondence we receive is referred to other SEC offices and divisions for their review. If they have any questions or wish to respond directly to Mr. Kelly's complaint, they will contact Mr. Kelly.*

Sincerely,

*Ruby Scott*

**EXHIBIT W****Subject:** Response Letter from the Office of Senator Catherine Cortez Masto**Source:** Personal Email Account**Contact for Agencies to Reach Out to Regarding MMTLP**

Inbox x

MMTLP Lawsuit x

**Hoffecker, Craig** <choffecker@lcb.state.nv.us>

Thu, May 15, 10:06 AM



to me ▾

William Lee Kelly

[William.lee.kelly@gmail.com](mailto:William.lee.kelly@gmail.com)

Dear Mr. Kelly,

I am sorry to hear of your situation with MMTLP. I learned of your situation as you recently contacted members of the Nevada Legislature.

It appears that you have already contacted the [United States Securities and Exchange Commission](#) (SEC) with your concerns. I found the same comments you sent to the Nevada Legislature also listed on the SEC's website as "[File No. 365-28](#)" dated March 4, 2025. There is an "[investor complaint form](#)" and "[investor question form](#)" where you may submit your concerns and explanation to the SEC if you have further concerns to make to the agency. The federal agency may be the best route for you to voice your concerns about MMTLP, possible early close of trading, and related matters.

The [Financial Industry Regulatory Authority](#) (FINRA) you may have also already reached out to with your concerns. Since FINRA may have more involvement with regulation of brokers and their firms, I do not know if contacting FINRA will be as useful to you as the SEC. However, you may wish to [contact](#) FINRA in Washington, D.C. at (301) 590-6500 to see what type of information or service it may provide to you.

Finally, if you wish to call or write your federal officials representing Nevada regarding the MMTLP, you may find their contact information within the attached file for Nevada's major elected officers.

Thank you for taking the time to reach out and all the best to you in finding a resolution to the issues with MMTLP.

Craig

**Craig Hoffecker**

Manager of Constituent Services

Nevada Legislative Counsel Bureau, Research Division

Constituent Services

401 S. Carson St., Carson City, NV 89701-4747

(775) 684-6740 | <https://www.leg.state.nv.us/Division/Research/>

**EXHIBIT AA****Subject:** Trading Data for MMTLP from Nov 21, 2022 to the U3 Halt**Source:** <https://stockinvest.us/stock-price/MMTLP>**Historical Meta Materials Inc. prices**

<div> <div>Select Range</div> <div>YTD</div> <div>12m</div> <div>2024</div> <div>2023</div> </div> <div> <div>JSON</div> <div>CSV</div> </div>					
Date	Open	High	Low	Close	Volume
Dec 09, 2022	\$2.96	\$2.96	\$2.96	\$2.96	0
Dec 08, 2022	\$4.41	\$4.50	\$2.85	\$2.96	8 333 725
Dec 07, 2022	\$9.88	\$9.90	\$7.07	\$7.90	3 714 213
Dec 06, 2022	\$7.15	\$9.70	\$5.04	\$7.97	3 907 648
Dec 05, 2022	\$8.25	\$9.00	\$7.55	\$7.60	1 467 521
Dec 02, 2022	\$8.90	\$8.90	\$8.10	\$8.21	992 624
Dec 01, 2022	\$8.25	\$9.05	\$7.75	\$8.17	1 678 750
Nov 30, 2022	\$9.72	\$10.00	\$7.76	\$8.50	1 305 436
Nov 29, 2022	\$9.70	\$9.75	\$9.65	\$9.72	393 564
Nov 28, 2022	\$10.79	\$10.98	\$9.61	\$10.02	1 544 600
Nov 25, 2022	\$10.87	\$10.99	\$9.88	\$10.03	1 673 741
Nov 23, 2022	\$10.72	\$10.95	\$8.55	\$10.00	1 601 754
Nov 22, 2022	\$11.85	\$12.50	\$10.85	\$12.00	3 045 999
Nov 21, 2022	\$9.90	\$11.30	\$9.43	\$11.21	2 767 169

## EXHIBIT AD

**Subject:** FOIA Request Showing Sam Draddy's Correspondence With the SEC

**Source:** <https://x.com/RareDealsHere/status/1909256130574057870/photo/3>

**From:** Draddy, Sam <Sam.Draddy@finra.org>

**Sent:** Monday, December 5, 2022 9:07 AM

**To:** (b)(6); (b)(7)(C) @SEC.GOV>

**Cc:** (b)(6); (b)(7)(C) @SEC.GOV>; (b)(6); (b)(7)(C) @SEC.GOV>; Boyle, Richard <Richard.Boyle@finra.org>; Gibbon, Jay <Jay.Gibbon@finra.org>

**Subject:** RE: Inquiry

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

(b)(6); (b)(7)(C) --looks like this MMAT/MMTLP matter has now hit my Fraud team's radar screen (and seemingly a lot of other radar screens as well). I know you have spoken to Patti Casimates and our General Counsel's office—but was wondering if it made sense for my Fraud team to have a conversation directly with you and your folks working on the matter so we are not duplicating efforts. We are looking at the two issuers from a fraud/manipulation angle and, in fact, bluesheeting both MMAT and MMTLP as we speak.

If you think a comparison of notes is worth a quick call—let me know a good day/time. I can set up a zoom and feel free to let me know if (b)(6); (b)(7)(C) or anyone else should be included.

Thanks (b)(6); (b)(7)(C)

Sam



526 **EXHIBIT AE**

527 **Subject:** Letter from Congresswoman Barbara Lee regarding MMTLP Resolution

528 **Source:** <https://x.com/xMarketNews/status/1731863801522168131/photo/1>

**Congress of the United States**

Washington, DC 20515

December 4, 2023

The Honorable Gary Gensler  
Chairman  
U.S. Securities and Exchange Commission  
100 F St. NE Washington, D.C. 20549

Dear Chairman Gensler,


I am writing regarding an action taken by the Financial Industry Regulatory Authority (FINRA) on META Material's Series A Preferred Shares (MMTLP). This has been brought to my attention by a number of my constituents who have expressed concerns with the holding and status of their MMTLP shares. On December 8th, 2022, FINRA halted trading of MMTLP and announced deletion of the MMTLP symbol five days later. My constituents have expressed that as a result, they were left without clarity on the future of their investments.

The U.S. Securities and Exchange Commission (SEC) and FINRA have a responsibility to protect investors and safeguard the integrity of our public markets. Given the financial distress constituents have experienced because of these decisions, I want to ensure that market decisions are being made by regulators in an efficient and transparent manner.

I request that you fully investigate the events surrounding the trading halt of MMTLP and ensure no wrongdoing took place. Furthermore, I request that you make any findings publicly available and that you to provide clear guidance to my constituents about what they should expect to occur regarding their current MMTLP holdings and under what timeline they should expect a resolution to take place. I also ask that you identify any regulatory or legislative gaps that could be addressed to better protect investors and market integrity.

Thank you for your attention to this matter and I look forward to your response.

Sincerely,



Barbara Lee  
Member of Congress

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## EXHIBIT AG

**Subject:** Ameritrade Correspondence to MMTLP Holders Pre-Halt

**Source:** <https://x.com/JunkSavvy/status/1905727232414494981/photo/2>



Wed Mar 8 2023 12:06:00 am ET

**Re: MMTLP Finra Corporate Action Notice**

From: Institutional Message Center | Date: 12/09/22 9:30 AM Message available until 12/08/24.

Hello

Good Morning! Thank you for taking the time to respond to our message and I hope you are having a wonderful day so far! My name is Bob, and I am happy to continue helping you with your account today!

We did receive some information from MMTLP. These are the details and guidance they provided.

MMTLP shareholders with settled positions as of 12/12/22 (Record Date) will receive one share of Next Bridge Hydrocarbons, Inc for every one share of MMTLP. Scheduled Pay Date for this distribution is 12/14/22.

New long purchases (BUYS) of MMTLP executed after 12/08/22 will NOT receive Next Bridge Hydrocarbons, Inc shares. As such, after market close on 12/8/2022:

New long BUY orders of MMTLP placed after market close on 12/8/2022 will be routed for review and canceled.

New closing SELL orders of MMTLP should be routed normally, but there may be liquidity issues on 12/9/22 and 12/12/22.

Current open long BUY orders that are GTC will be canceled after market close on 12/8/22.

In addition, MMTLP shares will be canceled 12/13/22 and no trading will occur.

Clients should trade or hold this security at their own risk.

Hope this helps! Thank you so much for being a client here at TD Ameritrade, Tim! We truly appreciate it! I hope you have a fantastic day!

We greatly appreciate your business and know you have a choice where you invest. If there is anything else we can do for you, or could have done better, please let us know.

We look forward to serving your needs for years to come.

Respectfully,

Robert Mangan  
Client Services

TD Ameritrade  
1-800-669-3900

**EXHIBIT AJ****Subject:** NBH Disputes 2.65m Short Estimated Provided by FINRA in FAQ**Source:** [https://cdn.prod.website-files.com/6169e69d0075ec7c66221a8b/65c66057134fd3d64ee87721\\_NBH%20Statement%20vF%202-8-24.pdf](https://cdn.prod.website-files.com/6169e69d0075ec7c66221a8b/65c66057134fd3d64ee87721_NBH%20Statement%20vF%202-8-24.pdf)

Second, we believe this information is necessary to help clarify potentially misleading information that has been disseminated to investors and the public. FINRA issued an “Investor Insights” FAQ on its website stating that “there was an aggregate short interest position in MMTLP in accounts held at broker-dealers as of December 12 of approximately 2.65 million shares out of 165.47 million total shares outstanding.” FINRA went on to characterize this volume as “not significant.” We infer no intent to mislead by FINRA, but we note that this statement was not qualified to make clear that the scope of the data available to FINRA under the investigatory powers it cited was limited, and thus it implied a categorical summation of the entire uncovered short interest position in Next Bridge. Subsequent to our most recent press release of January 19, 2024 calling for short interest data from all sources, foreign or domestic, whether registered with FINRA or not, we observed that FINRA clarified in its letter to Congressman Norman that the short interest figure it cited was only based on U.S. member data and not that of “domestic or foreign non-member entities that could act as custodians or agents holding securities for others, including foreign-registered broker-dealers.” However, it repeated its assertion

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that the short interest position it saw was “nominal.” Unfortunately, we believe this is a consequential blind spot in FINRA’s data, because foreign firms have approached Next Bridge about procuring more than 2.65 million shares.



**EXHIBIT AK****Subject:** Next Bridge Disputes FINRA's Role in The Corporate Actions**Source:** [https://cdn.prod.website-](https://cdn.prod.website-files.com/6169e69d0075ec7c66221a8b/65c66057134fd3d64ee87721_NBH%20Statement%20vF%202-8-24.pdf)[files.com/6169e69d0075ec7c66221a8b/65c66057134fd3d64ee87721\\_NBH%20Statement%20vF%202-8-24.pdf](https://cdn.prod.website-files.com/6169e69d0075ec7c66221a8b/65c66057134fd3d64ee87721_NBH%20Statement%20vF%202-8-24.pdf)

Third, we believe there is an onus on FINRA to help resolve ongoing investor concerns due to the role it played in the events that led to the U3 halt, and the subsequent confusion resulting from the halt itself. FINRA stated that it determined the U3 halt was “necessary and appropriate to protect investors and ensure a fair and orderly marketplace.” Unfortunately, many investors continue to communicate great frustration that the halt accomplished quite the opposite and could have been avoided. We do not intend to litigate FINRA’s decision-making in this release, but we also would like to ensure that we clarify certain points on which we have a divergent view from FINRA in regards to the corporate action announcing the NBH spinoff and subsequent U3 halt, since the issues are actively being discussed in public releases to our investors and publicized letters to Congress. As an initial matter, we take issue with FINRA’s repeated assertion that “FINRA’s role is limited to reviewing and processing the (corporate action) submission and announcing the corporate action to market participants (unless the corporate action documentation is found to be deficient under Rule 6490, in which case FINRA may determine not to process the corporate action).” We do not believe this describes the role that FINRA played in the MMTLP corporate action submission process, nor does it offer a complete recitation of FINRA’s authority under Rule 6490. First, FINRA drafted the initial and revised corporate action notices on December 6th and 8th of 2022, with an instruction that the issuer was not to edit or interpret it, and included language that we believe itself became the source of market confusion. For example, while FINRA describes the notice to Congressman Norman as “consistent with the information provided by Meta Materials,” it is notable that the notice actually introduced a new instruction that MMTLP shares would be “deleted” on December 13th – a date never before contemplated or referenced by the issuers, and which many found difficult to reconcile with Meta’s announcement that the distribution of Next Bridge shares would take place the next day- on December 14th. Indeed, it was never proposed to FINRA to add a December 13 cancellation date or deletion date, and adding such a date created an unnecessary restriction to the corporate action and shareholders of MMTLP. In addition, FINRA’s Rule 6490 allows it to refrain from processing requested corporate actions altogether if it “determines not processing is necessary to protect investors and the public interest and to maintain fair and orderly markets.” In other words, the justification FINRA ultimately used for issuing the U3 halt was available to it at the outset of the process,

**EXHIBIT AO****Subject:** Legal Statements by George Palikaras regarding FINRA Corporate Actions**Source:** [https://www.dropbox.com/scl/fi/tbp2nwed5ldbopmjfclwb/Inter-Coastal-v.-TradeStation-Decl.-ISO-Georgios-Pallikaras-Signed\\_GP.pdf?rlkey=2w6w6dvot12b0km16szm4zrpn&e=1&st=z6nvgdol&dl=0](https://www.dropbox.com/scl/fi/tbp2nwed5ldbopmjfclwb/Inter-Coastal-v.-TradeStation-Decl.-ISO-Georgios-Pallikaras-Signed_GP.pdf?rlkey=2w6w6dvot12b0km16szm4zrpn&e=1&st=z6nvgdol&dl=0)**George Palikaras**   
@palikaras

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31. Further, on or about December 8, 2022, FINRA notified the Company that it had unilaterally revised the language of the Company's December 6, 2022 corporate action and required the revised notice to be published on the Daily List. This revision was made without the input or authorization of the Company and took place on or about December 7, 2022, *after* FINRA had a call discussion with DTCC. I was informed that META II and Next Bridge's counsel were not invited to participate in the call between FINRA and DTCC.<sup>14</sup>